



Vehicle Fuels and the 1990 Clean Air Act

Vehicle Fuels and Clean Air

Gasoline and diesel fuel are both produced from crude oil, that is, petroleum. Together, gasoline and diesel fuel power 99% of this country's motor vehicle fleet.

Past efforts to reduce vehicle emissions took petroleum fuels as a given and focused on the development of sophisticated engine and vehicle emission control systems involving catalytic converters, on-board computers, and other hardware. It is becoming apparent, however, that fuel composition and type are also critical factors in the clean vehicle equation.

The Clean Air Act of 1990 explicitly recognizes that changes in fuels as well as in vehicle technology must play a role in reducing air pollution from motor vehicles.

Why the Interest in New Fuels?

The recognition that fuels are significant opened up an interesting debate about the relative merits of petroleum and nonpetroleum fuels. Petroleum fuels have many advantages as vehicle fuels. Oil can still be discovered and pumped from the ground in many parts of the world for as little as ten or twenty cents per gallon. Gasoline and diesel fuel pack more energy per gallon than other fuels. Most important, our country's vast transportation infrastructure (refineries, pipelines, service stations, vehicle assembly plants, etc.) has been designed and optimized for petroleum fuels.

On the other hand, petroleum fuels have certain drawbacks. Emissions of reactive hydrocarbons, carbon monoxide, and oxides of nitrogen from gasoline and diesel vehicles contribute significantly to smog and other air pollution that plagues most large American cities. Carbon dioxide emissions from petroleum fuel combustion add to the atmospheric buildup of greenhouse gases and the potential for global warming. The United States consumes far more oil than it can produce domestically, leading to concerns over our energy and national security.

There are several alternative (i.e., nonpetroleum) fuels, such as methanol, ethanol, natural gas, propane, electricity, and hydrogen, that could reduce vehicle emissions of conventional and greenhouse pollutants and could be produced from domestic feedstocks. Unfortunately, to varying degrees, a transition to one or more of these fuels could decrease vehicle range and increase the overall cost of the U.S. transportation system, particularly during the transition when infrastructure modifications would be necessary.

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Clean Fuel Provisions of the Clean Air Act of 1990

In the end, the Clean Air Act stopped short of mandating the sale or use of alternative fuels. But the Act includes several programs that will require cleaner fuels and will open up the fuel market to nonpetroleum gasoline additives. These include provisions that force modifications in gasoline composition and that establish more stringent emission standards for vehicles in certain polluted areas. There are five major fuel-related provisions of the 1990 Clean Air Act.

- **Oxygenated Fuels**

The oxygenated fuels provision affects 39 metropolitan areas that have high levels of carbon monoxide pollution (see chart). Beginning in November 1992, gasoline sold in the winter in these areas must contain a minimum of 2.7% oxygen. The oxygen helps vehicles burn fuel more completely and this program is expected to reduce vehicle carbon monoxide emissions by 15% to 20%.

Fuel additives will supply the extra oxygen for these oxygenated gasolines. The most likely additives are ethanol and methyl tertiary butyl ether (MTBE), a methanol derivative. These additives will be used in about a third of the nation's gasoline, displacing 100,000 to 200,000 barrels per day of oil. The oxygen additive will raise fuel prices by a few cents per gallon.

- **Reformulated Gasoline**

The reformulated gasoline requirement applies to gasoline sold year-round in the nine metropolitan areas with the most severe ozone pollution (see chart). Beginning in 1995, reformulated gasoline specifications include a minimum oxygen content of 2% and a maximum 1% benzene content. Heavy metal additives are prohibited. Overall emission performance standards for reformulated gasoline call for at least 15% hydrocarbon and toxic emission reductions by 1995 and at least 20% to 25% reductions of hydrocarbons and toxic emissions beginning in the year 2000.

In addition to the use of oxygenates to boost fuel oxygen content, it is expected that refineries will have to restrict or delete certain high-volatility compounds, aromatics, olefins, and sulfur from gasoline.

The base requirement will reformulate 22% of the country's gasoline supply and displace between 100,000 and 350,000 barrels per day of oil. However, the Clean Air Act permits other polluted cities (up to 87 across the country) to voluntarily join the program, which could result in reformulating more than half of the nation's gasoline. Again, the price of gasoline is projected to rise by a few cents per gallon.

- **California Pilot Program**

This program sets lower hydrocarbon emission standards (relative to cars in the general U.S. market) for a set number of new passenger cars and light trucks sold in California beginning in 1996. The standards drop still lower beginning in 2001, when a new nitrogen oxide standard also takes effect. The sales requirement is 150,000 vehicles per year in 1996 through 1998 and 300,000 vehicles per year thereafter.

It appears that reformulated gasoline will likely be the fuel of choice to meet the California standards (possibly combined with some engine modifications and additional emission control hardware such as an electrically heated catalytic converter). Alcohol flexible fuel vehicles (which can operate on alcohol or gasoline or any blend of the two) are another possibility. California must mandate availability of any fuel necessary to operate clean-fueled vehicles. Other states may adopt California's vehicle standards.

- **Clean-Fuel Fleet Vehicle Program**

This provision applies to fleets in 22 cities around the country that have high ozone and/or carbon monoxide pollution (see chart). Like the California Pilot Program, the fleet program requires vehicles that are cleaner than those for sale in the general U.S. market. A portion of new cars, light trucks, and medium-duty trucks purchased by fleets will need to meet the lower hydrocarbon and nitrogen oxide emission standards beginning in 1998. Individual states must ensure that appropriate fuels are available for clean-fueled fleet vehicles.

It is expected that vehicles operating on reformulated gasoline will be able to meet the lower standards, though some fleets may consider fuels such as natural gas or propane which can offer cost savings. All in all, this program will affect approximately 35,000 fleets and should result in about one million clean-fueled vehicles by 2010.

- **Transit Bus Provisions**

The particulate matter emission standard for transit bus engines is progressively tightened in both 1993 and 1994. Although it is expected that diesel bus engines equipped with trap-oxidizers will be able to meet these standards, the extra costs associated with traps will encourage some transit operators to consider alternative fuels such as methanol and natural gas.

Beginning in 1994, EPA must evaluate whether buses are continuing to emit low levels of particulate in actual service. If not, then EPA will establish a low-polluting fuels requirement beginning in the late 1990s that would affect new transit buses in all cities with populations of 750,000 or more. This requirement could result in widespread substitution of alternative fuels for diesel in the nation's transit bus fleet.

For Further Information:

The EPA National Vehicle and Fuel Emissions Laboratory is the national center for research and policy related to auto pollution. To request fact sheets on other mobile source issues, write to us at 2565 Plymouth Road, Ann Arbor, MI 48105, or call 313/668-4333.

Cities Affected by Clean Fuels Provisions of the Clean Air Act

METROPOLITAN AREA	POLLUTANT CATEGORY*		CONTROL PROGRAM**		
	Carbon Monoxide	Ozone	Reformulated Gasoline†	Oxygenated Fuels	Clean Fleets
Albuquerque, NM	Moderate			•	
Anchorage, AK	Moderate			•	
Atlanta, GA		Serious			•
Bakersfield, CA (San Joaquin Valley)		Serious			•
Baltimore, MD	Moderate	Severe	•	•	•
Baton Rouge, LA		Serious			•
Beaumont-Port Arthur, TX		Serious			•
Boston-Lawrence-Worcester, MA-NH	Moderate	Serious		•	•
Chicago-Gary-Lake County, IL-IN-WI		Severe	•		•
Chico, CA	Moderate			•	
Cleveland-Akron-Lorain, OH	Moderate	Moderate		•	
Colorado Springs, CO	Moderate			•	
Denver-Boulder, CO	Moderate			•	•
Duluth, MN-WI	Moderate			•	
El Paso, TX	Moderate	Serious		•	•
Fairbanks, AK	Moderate			•	
Fort Collins-Loveland, CO	Moderate			•	
Fresno, CA (San Joaquin Valley)	Moderate	Serious		•	•
Greensboro-Winston Salem-High Point, NC	Moderate	Moderate		•	
Hartford, CT (Greater Connecticut)	Moderate	Serious	•	•	•
Houston-Galveston-Brazoria, TX		Severe	•		•
Josephine Co., OR (Grants Pass)	Moderate			•	
Klamath Co., OR (Klamath Falls)	Moderate			•	
Las Vegas, NV	Moderate			•	
Los Angeles South Coast Air Basin, CA	Serious	Extreme	•	•	•
Medford, OR	Moderate			•	
Memphis, TN-AR-MS	Moderate	Moderate		•	
Milwaukee, WI		Severe	•		•
Minneapolis-St. Paul, MN-WI	Moderate			•	
Missoula, MT	Moderate			•	
Modesto, CA	Moderate	Moderate		•	
New York, N. NJ-Long Island, NY-NJ	Moderate	Severe	•	•	•
Philadelphia, PA	Moderate	Severe	•	•	•
Phoenix, AZ	Moderate			•	
Portland-Vancouver, OR-WA	Moderate			•	
Providence-Pawtucket-Fall River, RI-MA		Serious			•
Provo-Orem, UT	Moderate			•	
Raleigh-Durham, NC	Moderate	Moderate		•	
Reno, NV	Moderate			•	
Sacramento, CA	Moderate	Serious		•	•
San Diego, CA	Moderate	Severe	•	•	•
San Francisco-Oakland-San Jose, CA	Moderate	Moderate		•	
Seattle-Tacoma, WA	Moderate			•	
Southeast Desert, CA		Severe	•		•
Spokane, WA	Moderate			•	
Springfield, MA		Serious			•
Stockton, CA	Moderate	Marginal		•	
Syracuse, NY	Moderate			•	
Ventura County, CA		Severe	•		•
Washington, DC-MD-VA	Moderate	Serious		•	•

* 1990 Clean Air Act classification. The metropolitan area generally includes suburbs and nearby towns.

** If a low-polluting transit bus fuels program is necessary, it would affect all cities with populations of 750,000 or more.

† Other ozone nonattainment areas are expected to opt in to this program.